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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
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09/058,840

04/13/1998

JAY S. WALKER

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EXAMINER

MEINECKE DIAZ, SUSANNA M

ART UNIT

PAPER NUMBER

3694

SHORTENED STATUTORY PERIOD OF RESPONSE	MAIL DATE	DELIVERY MODE
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3 MONTHS

01/05/2007

PAPER

**Please find below and/or attached an Office communication concerning this application or proceeding.**

If NO period for reply is specified above, the maximum statutory period will apply and will expire 6 MONTHS from the mailing date of this communication.

# Office Action Summary

Application No.

09/058,840

Applicant(s)

WALKER ET AL.

Examiner

Susanna M. Diaz

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

## Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

## Status

- 1) ☒ Responsive to communication(s) filed on 06 November 2006.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

## Disposition of Claims

- 4) ☒ Claim(s) 122-162 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 122-162 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

## Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

## Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
  - ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

## Attachment(s)

- |  |   |
|--|---|
| 1) <input type="checkbox"/> Notice of References Cited (PTO-892)   | 4) <input type="checkbox"/> Interview Summary (PTO-413)<br>Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)                                   | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152)             |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)<br>Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____  |

## **DETAILED ACTION**

### ***Continued Examination Under 37 CFR 1.114***

1. A request for continued examination under 37 CFR 1.114, including the fee set forth in 37 CFR 1.17(e), was filed in this application after final rejection. Since this application is eligible for continued examination under 37 CFR 1.114, and the fee set forth in 37 CFR 1.17(e) has been timely paid, the finality of the previous Office action has been withdrawn pursuant to 37 CFR 1.114. Applicant's submission filed on November 6, 2006 has been entered.

Claim 162 has been added.

Claims 122-162 are pending.

### ***Response to Arguments***

2. Applicant's arguments filed November 6, 2006 have been fully considered but they are not persuasive.

On page 15 of Applicant's response, Applicant argues that "Silverman's system does not manage or process customers' conditional purchase offers, as recited in the claims. Instead, Silverman's bid exchange/trading system generates and displays current trading market characteristics to a trader, so that the trader may determine whether or not to submit a bid." The Examiner respectfully disagrees. In col. 7, lines 13-20 of Silverman, it is explained that, when a match is found, the trade is "automatically executed," thereby implying that the customer, i.e., the buyer, is bound to complete the requested trade when his/her offer is matched. The conditions of an

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acceptable trade set by a buyer (as disclosed in Silverman) are indicative of conditions associated with purchase offers, as recited in the claimed invention; therefore, the Examiner maintains that Silverman manages and processes customers' conditional purchase offers.

On pages 15-16 of Applicant's response, "Applicants submit that Silverman does not teach, disclose or suggest, 'receiving a conditional purchase offer wherein the customer identifies a goods or services subject type and at least one purchase condition further refining the subject type of the good or service to be purchased, and an offer price'..." Silverman discloses in col. 6, lines 31-36, 61-63 that a buyer enters details regarding a trade offer that he/she is willing to make, based upon an acceptable price, quantity, etc. This information is sent to the distributed matching system. Traders must specify which type (or "subject type") of commodity they desire. As stated in col. 3, lines 18-23 of Silverman, "A matching system for trading instruments is provided in which bids are automatically matched against offers for given trading instruments for automatically providing matching transactions in order to complete trades for the given trading instruments such as foreign exchange currencies..." A "given trading instrument" is a specific subject type of goods.

In conclusion, Applicant's arguments are not persuasive and the existing art rejection is maintained.

***Claim Rejections - 35 USC § 103***

3. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

4. Claims 122-162 are rejected under 35 U.S.C. 103(a) as being unpatentable over Silverman et al. (U.S. Patent No. 5,136,501).

Silverman discloses a system comprising:

[Claim 122] a network providing a display accessible by customers (col. 6, lines 52-66);

a storage device storing a program (Fig. 1);

a processor in communication with said storage device (Fig. 1; col. 2, lines 18-24), said processor operative with said program to:

receive a selection of a subset of goods or services from a customer utilizing the network (col. 3, lines 18-23; col. 6, lines 34-36, 61-63 -- A buyer enters details regarding a trade offer that he/she is willing to make, based upon an acceptable price, quantity, etc.);

receive a conditional purchase offer from the customer utilizing said network for purchasing goods or services, said conditional purchase offer specifying at least one condition of the conditional purchase offer and an offer price (col. 6, lines 31-36, 61-63 - A buyer enters details regarding a trade offer that he/she is willing to make, based

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upon an acceptable price, quantity, etc. This information is sent to the distributed matching system);

receive a payment identifier specifying a financial account for use in providing payment for said goods or services if said conditional purchase offer is accepted (col. 1, lines 18-26; col. 7, lines 13-26; col. 21, line 43 through col. 22, line 40 -- A buyer's credit limit is verified to ensure that it meets the criteria of a trade before the trade is agreed to and executed. If a trade is accepted, a clearing agency may process payment. The information identifying a particular buyer's credit limit corresponds to a payment identifier of the buyer's credit account for use in providing payment for an accepted trade); and subsequently:

compare said conditional purchase offer with seller inventory and pricing information from a plurality of sellers of said goods or services to determine if said conditional purchase offer is acceptable, wherein seller identity information is concealed from said customer (col. 6, lines 31-47; col. 7, lines 13-20; col. 10, lines 21-28; col. 21, line 43 through col. 22, line 40 -- A match is made when the distributed matching system identifies a seller with a bid that meets the price and quantity conditions of the offer. Also, the distributed matching system receives information regarding the buyer's available credit in order to ensure that the buyer can pay for the requested trade);

if said conditional purchase offer is acceptable, bind said customer to purchase the goods or services, provide an acceptance to said customer in response to the conditional purchase offer, charge said financial account for payment of said goods or services, and provide payment to said seller for said goods or services (col. 7, lines 13-

20 -- When a match is found, the trade is "automatically executed," thereby implying that the customer, i.e., the buyer, is bound to complete the requested trade when his/her offer is matched. A clearing agency may then be used to effect payment);

[Claim 124] wherein said seller inventory and pricing information includes seller-defined rules (col. 6, lines 31-47, 61-62 -- Since the seller presents the bid conditions, including price and quantity, that he/she is willing to accept, the seller defines acceptable rules for the trade from his/her end);

[Claim 129] wherein said payment for said goods or services is guaranteed (col. 21, line 44 through col. 22, line 40 -- By approving a buyer's credit, it is being asserted that the buyer can pay for a trade within the approved credit limit);

[Claim 130] wherein said payment to said seller for goods or services is provided with funds charged to said financial account (col. 7, lines 13-20 -- The use of a clearing agency to effect payment implies that funds are being charged to a buyer's financial account);

[Claim 132] wherein said processor is further operative with said program to authenticate said conditional purchase offer prior to consideration thereof (col. 7, lines 20-26; col. 21, line 44 through col. 22, line 40 -- The central system verifies that the buyer can meet the conditions of the submitted offer).

As per claims 122 and 125, Silverman's invention is conducted over a network of computers; however, Silverman fails to expressly teach that a user accesses the network through a web server connected to a web page that is accessed through a web

browser. However, Official Notice is taken that the use of the Internet (which would include a web server connected to a web page that is accessed through a web browser) to perform shopping, including negotiating and bidding functions, is old and well-known in the art. The use of the Internet for shopping has greatly increased the body of customers available to merchants and vice versa, thereby creating a shopping environment that better suits the material and economic needs of both merchants and customers alike. Silverman promotes the matching of buyers and sellers with common trading goals; therefore, the Examiner asserts that it would have been obvious to one of ordinary skill in the art at the time of Applicant's invention to adapt Silverman to function over a network accessed through a web server connected to a web page that is accessed through a web browser in order to increase the body of buyers available to sellers and vice versa, thereby creating a trading environment that better suits the material and economics needs of both sellers and buyers alike

Regarding claim 123, Silverman fails to expressly teach an expiration date associated with a buyer's offers; however, Silverman does inform its participants of the best inside prices for trades at all times (col. 6, lines 52-60). Also Silverman has the option of disposing of an offer or bid when a match cannot be found (col. 7, lines 20-26). In such a dynamic market, the value of traded instruments is consistently going up and down; therefore, a bid/offer that seems reasonable one day might be completely unreasonable the next day. In order to protect the buyers' and sellers' respective interests, one would likely set an expiration date for matching a given offer/bid in order to reflect the most reasonable and current prices of the traded instruments. Therefore,



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the Examiner asserts that it would have been obvious to one of ordinary skill in the art at the time of Applicant's invention to limit the conditional purchase offers made in Silverman's trading system to a specified expiration date in order to protect the buyers' and sellers' respective interests by limiting the effectiveness of their respective offers and bids to a realistic time period during which the offered and bid prices of the traded instruments remain reasonable in light of the current market.

Regarding claims 126, 127, and 133, Silverman teaches the use of a clearing agency to effect payment (col. 7, lines 13-20), which implies that funds are being charged to a buyer's financial account; however, Silverman fails to specify the type of financial account from which funds are transferred. Official Notice is taken that the use of debit accounts, credit accounts, and credit card accounts (with an associated credit card number) to make payments are old and well-known in the art. Each type of account facilitates quick and easy authorizations of electronic payments. Therefore, the Examiner asserts that it would have been obvious to one of ordinary skill in the art at the time of Applicant's invention to allow Silverman's buyers to make payment through a debit account, credit account, or credit card account (with an associated credit card number) in order to facilitate quick and easy authorizations of electronic payments.

As per claim 128, Silverman discloses the pre-authorization of an offer price of the buyer's conditional purchase offer (col. 7, lines 20-26; col. 21, line 44 through col. 22, line 40 -- The central system verifies that the buyer can meet the conditions of the submitted offer); however, Silverman fails to teach that this pre-authorization is granted through a financial clearing house *per se*. Silverman does disclose the use of a clearing

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agency to effect payment (col. 7, lines 13-20). Clearing agencies often have access to even more comprehensive financial details of a customer than the average third-party broker; therefore, the Examiner asserts that it would have been obvious to one of ordinary skill in the art at the time of Applicant's invention to adapt Silverman to allow its clearing agency to perform the pre-authorization in order to provide a pre-authorization based on more comprehensive financial details, thereby lending more credence to the pre-authorization decision.

Regarding claims 131 and 134 (and 155, listed below), Silverman's anonymous matching system essentially serves as a financial trade broker. While Silverman does not explicitly disclose that a commission or broker's fee is paid to the owner of the anonymous matching system, Official Notice is taken that it is old and well-known in the art of trading to provide a commission or broker's fee to a broker for trades in which he/she assisted. This commission/broker's fee compensates the broker for time and resources invested in effecting the trade. Furthermore, Official Notice is taken that it is old and well-known in the art for the seller of a commodity (e.g., a house) to be responsible for paying a commission/broker's fee to a broker (e.g., a real estate agent) based either on a percentage of an offer price or a flat fee. These details are merely contractual elements that are set forth by participants in a transaction. Such an arrangement encourages the buyers to make a purchase without having to worry about the details of paying out a commission/broker's fee. Therefore, the Examiner asserts that it would have been obvious to one of ordinary skill in the art at the time of Applicant's invention to calculate a discounted value of the offer price, charge a financial

account for the offer price, and provide payment to said seller for said goods or services of an amount equal to a percentage of the offer price or a fee independent of the offer price (i.e., provide a commission or broker's fee to a broker for trades in which he/she assisted) as part of Silverman's anonymous matching system in order to compensate the broker for time and resources invested in effecting the trade. Also, the Examiner asserts that it would have been obvious to one of ordinary skill in the art at the time of Applicant's invention to provide said acceptance of a trade to said customer, i.e., the buyer, without indication of amounts paid to a seller for said goods or services, i.e., the trade, in order to encourage Silverman's buyers to make a purchase without having to worry about the details of paying out a commission/broker's fee.

[Claim 135] Claim 135 recites limitations already addressed by the rejection of claim 122 above; therefore, the same rejection applies.

[Claims 136-141] Claims 136-141 recite limitations already addressed by the rejection of claims 122-127 above; therefore, the same rejection applies. Furthermore, as per claim 136, as discussed above, Silverman discloses the use of a clearing agency, i.e., "an entity other than the seller," to effect payment (col. 7, lines 13-20).

[Claims 142-147] Claims 142-147 recite limitations already addressed by the rejection of claims 122-127 above; therefore, the same rejection applies.

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[Claims 148-154] Claims 148-154 recite limitations already addressed by the rejection of claims 122-127 above; therefore, the same rejection applies. Furthermore, as per claims 148 and 149, as discussed above, the Examiner asserts that it would have been obvious to one of ordinary skill in the art at the time of Applicant's invention to implement Silverman's automated matching system over a network accessed through a web server connected to a web page that is accessed through a web browser for the reasons set forth above. Inherent to such a modified version of Silverman would be the ability to enter trading data via the Internet, which would imply that the customer enters conditional purchase offer information "by filling out at least one electronic form from said web page for purchasing goods or services."

[Claims 155-160] Claims 155-160 recite limitations already addressed by the rejection of claims 122-127, 131, 134, 148, and 149 above; therefore, the same rejection applies. Furthermore, as per claim 155, please see the rejection of claims 131 and 134 in particular, set forth above. Additionally, Official Notice is taken that it is old and well-known in the art to pre-authorize a transaction based on a buyer's available credit on a credit card to be used for payment. This practice helps to ensure that the buyer can pay for a requested transaction with the presented credit card. Therefore, the Examiner asserts that it would have been obvious to one of ordinary skill in the art at the time of Applicant's invention to implement with Silverman the step of receiving a credit card number specifying a credit card account for use in providing guaranteed payment for goods or services, i.e., trades, if said conditional purchase offer is accepted in order

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to help ensure that the buyer can pay for a requested transaction with the presented credit card.

[Claim 161] Claim 161 recites limitations already addressed by the rejection of claim 133 (particularly the limitations of claim 133 and its independent claim 122) above; therefore, the same rejection applies. The authorization to charge a financial account is deemed inherent to the agreement from the customer to charge his/her financial account if the conditional purchase offer is deemed acceptable. Claim 133 specifically addresses the use of a credit card account as the financial account.

[Claim 162] Claim 162 recites limitations already addressed by the rejection of claim 122 above; therefore, the same rejection applies.

### ***Conclusion***

5. This is a request for continued examination. All claims are drawn to the same invention claimed in the earlier application and could have been finally rejected on the grounds and art of record in the next Office action if they had been entered in the earlier application. Accordingly, **THIS ACTION IS MADE FINAL** even though it is a first action in this case. See MPEP § 706.07(b). Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire **THREE MONTHS** from the mailing date of this action. In the event a first reply is filed within

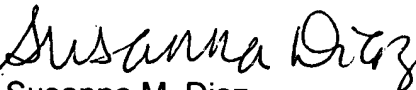
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TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no, however, event will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.

6. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Susanna M. Diaz whose telephone number is (571) 272-6733. The examiner can normally be reached on Monday-Friday, 8 am - 4:30 pm.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, James Trammell can be reached on (571) 272-6712. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

  
Susanna M. Diaz  
Primary Examiner  
Art Unit 3694

December 20, 2006